

SYSTEM AND METHOD FOR MULTI-ENTERPRISE SUPPLY CHAIN  
OPTIMIZATION

5      ABSTRACT

10      A method of optimizing multi-enterprise supply chain agreements using an electronic  
option contract includes determining at a buyer computer a range of forecasted demand  
for a product and communicating from the buyer computer to a seller computer an offer  
to enter into an option contract for the supply of a product, the option contract including  
an option corresponding to the range of forecasted demand. The method further includes  
executing the option contract, updating at the buyer computer the forecasted demand, and  
exercising the option in the option contract within the range of forecasted demand based  
on the updated forecasted demand.

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